

REMARKS:

Claims 5-8 and 13-16 stand rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent 5,918,217 (Maggioncalda). Applicant contends that claims 5-8 and claims 13-16 are patentable over the cited reference for the following reasons.

Maggioncalda fails to teach or suggest a processor which performs an arithmetic or geometric performance attribution computation as recited in claim 5 or 6, an arithmetic or geometric performance attribution method including the steps recited in claim 13 or 16, or a computer readable medium which contains instructions for programming a processor to perform a performance attribution computation of the type recited in claim 7 or 8.

The only basis set forth for the rejection of method claim 16, system claim 6, and computer-readable medium claim 8 is the assertion that Maggioncalda discloses a processor programmed to perform an arithmetic performance attribution computation to determine portfolio performance, and a display device coupled to the processor for displaying a result of the computation. However, Maggioncalda fails to teach or suggest, at column 6, lines 25-42 or elsewhere, any geometric performance attribution method (of which one is recited in claim 16), a geometric performance attribution method including the steps specifically recited in claim 16, any processor which performs the geometric performance attribution computation recited in claim 6, or any computer readable medium which contains instructions for programming a processor to perform a geometric performance attribution computation of the type recited in claim 8.

The present application's specification explains (e.g., at page 1, lines 11-31) that:

“performance attribution” is a method which compares returns of a portfolio against those of a benchmark and attributes the excess return (i.e., relative performance) to various effects resulting from active decisions by the portfolio managers;

“arithmetic” performance attribution defines the performance of a portfolio relative to a benchmark to be the *difference* $R - \bar{R}$, where R and \bar{R} refer to portfolio

and benchmark returns, respectively. This relative performance, in turn, is decomposed sector by sector into attribution effects that measure how well the portfolio manager weighted the appropriate sectors and selected securities within the sectors. The *sum* of the attribution effects gives the performance, $R - \bar{R}$; and

“geometric” performance attribution defines the relative performance as the *ratio* $(1 + R)/(1 + \bar{R})$. This relative performance is again decomposed sector by sector into attribution effects. In this case, however, it is the *product* of the attribution effects that gives the relative performance $(1 + R)/(1 + \bar{R})$.

The cited teaching of Maggioncalda at col. 6, lines 25-42, merely refers to a computer system (system 200 of Fig. 2) that includes a processor (202) and is said to be usable as a “client” server 105 of a financial advisory system (system 100 of Fig. 1). Maggioncalda does not describe any performance attribution method, and neither teaches nor suggests that system 100 or 200 or processor 202 (or any other system or processor) performs or should perform performance attribution of any kind, much less a geometric performance attribution method or computation as recited in claim 6, 8, or 16.

Since there is no teaching or suggestion determinable from Maggioncalda of any performance attribution method (much less a geometric performance attribution method including the steps recited in claim 16), a processor which performs any performance attribution computation (much less the geometric performance attribution computation recited in claim 6), or any computer readable medium containing instructions for programming a processor to perform any performance attribution computation (much less a geometric performance attribution computation of the type recited in claim 8), it is improper to reject claim 6, 8, or 16 on the basis of a bare assertion (unsupported by any teaching determinable from Maggioncalda or other art of record) that “it would have been obvious to one of ordinary skill in the art...to modify Maggioncalda’s” teaching to reach the invention of claim 6, 8, or 16.

The assertion in the Office Action that “Maggioncalda’s computer system and computer readable medium is capable of performing” a performance attribution computation is incorrect. In order for Maggioncalda’s computer system (and

computer readable medium) to perform the performance attribution computation recited in claim 6 or 8, the processor of such computer system would need to be programmed or configured to perform such computation. Maggioncalda fails to teach or suggest how to so program or configure a processor, or that it would be desirable to so program or configure a processor. Absent teaching determinable from art of record to program or configure a processor to perform the operations recited in claim 6 or 8, it is improper to reject claim 6 or 8 on the basis of an unsupported assertion that “it would have been obvious” to program any processor disclosed in Maggioncalda to perform such operations.

Further, even if one assumes for the sake of argument that the assertion in the Office Action that “Maggioncalda’s computer system and computer readable medium is capable of performing an arithmetic performance attribution computation” is correct, this assertion does not amount to a contention that Maggioncalda teaches or suggests a geometric performance attribution method including the steps recited in claim 16, a processor which performs a geometric performance attribution computation as recited in claim 6, or a computer readable medium which contains instructions for programming a processor to perform a geometric performance attribution computation of the type recited in claim 8.

The apparent assertion on page 3 of the Office Action that the “claimed invention recites an intended use” of a conventional processor (or other “old product”) is also incorrect, insofar as it applies to claim 6, 8, or 16. Claim 16 is a method claim reciting explicit steps, and thus cannot reasonably be characterized as an “intended use.” Claim 8 is to a computer readable medium (e.g., an article of manufacture or composition of matter) containing instructions for programming a processor to perform a recited computation, and thus cannot reasonably be characterized as an “intended use.” Claim 8 is not intended to cover a computer readable medium that does not contain the specified instructions (even though such medium might later be operated on or modified to cause it to contain such instructions). Claim 6 recites a processor which performs a recited computation, and thus cannot reasonably be characterized as an “intended use” of such processor or a system including it. Claim 6 is not intended to cover a system that includes a processor which does not perform (although it might later be programmed to

perform) the specified computation, but does not include a processor which performs the recited computation.

Thus, claims 6, 8, and 16 (and all claims that depend directly or indirectly therefrom) are patentable over the cited reference.

Referring next to claims 5, 7, and 13, the only basis set forth for the rejection of method claim 13, system claim 5, and computer-readable medium claim 7 is the assertion that Maggioncalda discloses a processor programmed to perform an arithmetic performance attribution computation to determine portfolio performance, and a display device coupled to the processor for displaying a result of the computation. However, Maggioncalda fails to teach or suggest, at column 6, lines 25-42 or elsewhere, any arithmetic performance attribution method (of which one is recited in claim 13), an arithmetic performance attribution method including the steps specifically recited in claim 13, any processor which performs the arithmetic performance attribution computation recited in claim 5, or any computer readable medium which contains instructions for programming a processor to perform an arithmetic performance attribution computation of the type recited in claim 5.

The cited teaching of Maggioncalda at col. 6, lines 25-42, merely refers to a computer system (system 200 of Fig. 2) that includes a processor (202) and is said to be usable as a “client” server 105 of a financial advisory system (system 100 of Fig. 1). Maggioncalda does not describe any performance attribution method, and neither teaches nor suggests that system 100 or 200 or processor 202 (or any other system or processor) performs or should perform performance attribution of any kind, much less an arithmetic performance attribution method or computation as recited in claim 5, 7, or 13.

Since there is no teaching or suggestion determinable from Maggioncalda of any performance attribution method (much less an arithmetic performance attribution method including the steps recited in claim 13), a processor which performs any performance attribution computation (much less the arithmetic performance attribution computation recited in claim 5), or any computer readable medium containing instructions for programming a processor to perform any performance attribution

computation (much less an arithmetic performance attribution computation of the type recited in claim 7), it is improper to reject claim 5, 7, or 13 on the basis of a bare assertion (unsupported by any teaching determinable from Maggioncalda or other art of record) that “it would have been obvious to one of ordinary skill in the art...to modify Maggioncalda’s” teaching to reach the invention of claim 5, 7, or 13.

As noted above, the assertion in the Office Action that “Maggioncalda’s computer system and computer readable medium is capable of performing an arithmetic performance attribution computation” is incorrect. In order for Maggioncalda’s computer system (and computer readable medium) to perform the performance attribution computation recited in claim 5 or 7, the processor of such computer system would need to be programmed or configured to perform such computation. Maggioncalda fails to teach or suggest how to so program or configure a processor, or that it would be desirable to so program or configure a processor. Absent teaching determinable from art of record to program or configure a processor to perform the operations recited in claim 5 or 7, it is improper to reject claim 5 or 7 on the basis of an unsupported assertion that “it would have been obvious” to program any processor disclosed in Maggioncalda to perform such operations.

Further, even if one assumes for the sake of argument that the assertion in the Office Action that “Maggioncalda’s computer system and computer readable medium is capable of performing an arithmetic performance attribution computation” is correct, this assertion does not amount to a contention that Maggioncalda teaches or suggests an arithmetic performance attribution method including the steps expressly recited in claim 13. Maggioncalda includes no such teaching or suggestion, and the Examiner has identified no such teaching or suggestion determinable from Maggioncalda.

The apparent assertion on page 3 of the Office Action that the “claimed invention recites an intended use” of a conventional processor (or other “old product”) is also incorrect insofar as it applies to claim 5 7 or 13. Claim 13 is a method claim reciting explicit steps, and thus cannot reasonably be characterized as an “intended use.” Claim 7 is to a computer readable medium (e.g., an article of manufacture or composition of matter) containing instructions for programming a processor to perform a

recited computation, and thus cannot reasonably be characterized as an “intended use.” Claim 7 is not intended to cover a computer readable medium that does not contain the specified instructions (even though such medium might later be operated on or modified to cause it to contain such instructions). Claim 5 recites a processor which performs a recited computation, and thus cannot reasonably be characterized as an “intended use” of such processor or a system including it. Claim 5 is not intended to cover a system that includes a processor which does not perform (although it might later be programmed to perform) the specified computation but does not include a processor which performs the recited computation.

Thus, claims 5, 7, and 13 (and all claims that depend directly or indirectly therefrom) are patentable over the cited reference.

Reconsideration and allowance of claims 5-8 and 13-16 is respectfully requested.

Respectfully submitted,

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